Claim:

1.(twice amended)~~A methodology for standardizing a web-based clearing system for a trading platform, defined as a Node and linked to a local commercial banks, further comprising:~~

~~Means of incorporating payments system into the Node for financial transactions;~~
~~means of allowing the Node to clear financial transaction;~~
~~means of allowing the Node to manage cash for settlement;~~
~~means of allowing the Node to make payments against physical delivery.~~

A cash management data processing system for multi-location standardized trading Nodes, allowing financial clearing within each Node, and between any two Nodes, linked to banking payment systems, comprising:

a) Fiduciary and electronic Escrow accounts at each Node;

b) an electronic processor for fund movement between Fiduciary and Escrow accounts bi-directionally at each Node;

c) an electronic intelligent hub for matching orders among different Nodes

d) an electronic processor for fund movement from Fiduciary account of one Node to another for financial clearing;

e) a price matching engine in selected base currency;

f) a system providing daily cash settlement ~~for financial~~ reporting;

g) ~~a means~~ an electronic processor for reporting daily account statement marked-to market;

h) ~~a means~~ an electronic processor for daily generating physical delivery receipt against cash settlement.

2. (~~twice~~ amended) System of claim 1, wherein ~~said payments system includes maintenance of Fiduciary account, further blocking funds allocated for customer pending transaction from Fiduciary account.~~ the required funds for customer's pending match will be blocked from said Fiduciary account by creating a fiduciary and a virtual accounts as a component of financial transaction until a match is made or the order is canceled.

5

3. (~~twice~~ amended) System of ~~claim 2.~~ claim 1 wherein ~~the Fiduciary account is maintained as customer specific segregated account in fixed currency as well as variable currency and translating variable currency to fixed currency as needed in matching process for clearing.~~ said Fiduciary account holds local currency and at least one foreign currency as base currency in a given Node, for purpose of Node-to-Node financial transaction.

4. (~~twice~~ amended) System of ~~claim 3, wherein blocked fund in said segregated Fiduciary account is moved to an Escrow account in fixed currency for order matching, further unblocking fund if the order is not matched as requested or canceled.~~ claim 2, wherein said blocked funds from Fiduciary account are moved to Escrow account in base currency after a match is made, clearing the financial transaction.

5. (~~twice~~ amended) System of claim 4, wherein a daily price adjustment to the blocked funds in said Escrow account is made ~~after daily settlement~~ reflecting marked-to-market cash value of transaction for settlement purpose of open orders, not yet fulfilled.

6. (~~twice~~ amended) System of claim 5, wherein said ~~adjustment will result in movement of funds between said Escrow and Fiduciary accounts,~~ marked-to-market pricing triggers movement of funds between Fiduciary and Escrow account to make the necessary adjustment by adding funds or withdrawal of excess funds

7. (~~twice~~ amended) System of ~~claim 1~~ claim 6, wherein the net amount retained in Escrow account resulting from said movement of funds between Fiduciary and Escrow account constitute daily cash settlement ~~is made by adjusting customer said Fiduciary account in a Node~~ required for avoiding liquidation of order.

8. (~~twice~~ amended) System of claim 1 wherein, [[a]]designated bonded warehouses are utilized for said physical delivery settlement to guarantee availability of goods.

9. (~~twice~~ amended) System of claim 8, wherein, physical delivery settlement is made by , exchanging ~~electronic~~ said bonded warehouse digital receipt of goods with electronic cash fund transfer from ~~through Node's~~ Fiduciary account, constituting electronic cash on delivery , COD

10. (canceled)

6

11. (~~twice~~ amended)) System of ~~claim 10~~ claim 1, wherein [[the]]said ~~procedure for~~ financial clearing between two Nodes ~~transfers~~ is accomplished by transferring fund from Fiduciary account of one Node to Fiduciary account of another Node in ~~fixed currency~~ base currency ~~for purpose of clearing a pending match~~, constituting Node-to-Node matching guaranteed transaction

12. (~~twice~~ amended) System of claim 11, wherein said ~~electronically~~ transferred fund ~~is recorded to the customer segregated accounts~~ a ~~fixed currency as order is matched in another Node~~ is moved to Escrow account of the Node that the match is made, constituting Node-to-Node financial clearing.

13. (~~twice~~ amended) System of ~~claim 11~~ claim 12, wherein said ~~fund movement internal transfer from Fiduciary to Escrow account in fixed currency if additional fund is to be deposited in the Fiduciary account of one Node from another Node~~ said transferred fund to Escrow account constitutes the additional fund required to complete settlement process in the Node that match was made, ~~guaranteeing last transaction~~.

14. (cancelled).

15.(amended)System of ~~claim 14,~~ claim 1 wherein the time period for daily settlement ~~time period extends~~ reflects the time ~~governed by payments system, from the~~ time T representing ~~day 1~~ execution of the trade to T+1 representing ~~day 2~~ settlement date plus time zone difference which includes International Date Line, ~~depending on~~ constituting a Node-to-Node clearing cycle. ~~Geographical location of Nodes with respect to each other~~.

16. (~~twice~~ amended) ~~A procedure wherein the National Automatic Clearing House Association format and Rules are utilized as payment system format wherever the national clearinghouses communicate with Federal Reserve Automatic Clearing House through local bank.~~ System of claim 1 wherein said banking payment system includes the Automatic Clearing House(ACH) format and Rules utilization whenever Fiduciary account in a Node communicates with Federal Reserve Automatic Clearing House directly, or via the National Clearinghouses in North America.

7

17. (twice amended) A procedure system of claim 1 wherein Society of Worldwide Interbank Financial Transaction (SWIFT) protocols MT 103 format for payments system and MT 940 are utilized as general format for messaging, that is, daily account statement payments system format outside North America to communicate with Fiduciary accounts of Nodes using any executing electronic fund transfer between any two Nodes in different locations for financial clearing and settlement.

18. (twice-amended) System of claim 17 wherein the payments in foreign currency are ﹔ A procedure System of claim 14, wherein the real-time interbank currency exchange rates at noon time, Eastern Standard Time, are captured for daily currency translation of funds conversion to the corresponding local currency is computed and credited to or for the purpose of moving funds between debited from respective Fiduciary account and Escrow account at the end of each trading day for settlement adjustment purposes.

8